

CERTIFICATION AGREEMENT

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This Certification Agreement (“Agreement”) is made by and between the Intertek Contracting Office, the Intertek Certification Body identified in the Service Agreement (“Intertek”) and the Organization (following called “Organization”) for the provision of the relevant Textile Exchange and/or Global Organic Textile Certification (“The Scheme Owners”)

ARTICLE 1 – RESPONSIBILITY

1.1. Responsibility of the Organization

The Organization shall:

- a. confirm that it is not already certified to the Standard, or shall alternately agree to follow certificate transfer procedures;
- b. confirm that it is not on Textile Exchange’s or GOTS’ list of banned organizations (as applicable);
- c. confirm that it has not been audited or certified to the Standard within the preceding 2 years. If this is the case, Intertek shall consider the results of the previous audit, and any open non-conformities shall remain applicable;
- d. if the application is for GRS certification, confirm that it does not hold a RCS scope certificate with another certification body, unless the RCS scope certificate is in the process of being transferred to Intertek;
- e. if the application is for OCS certification, confirm that it does not hold a GOTS scope certificate with another certification body, unless the GOTS scope certificate is in the process of being transferred to Intertek;
- f. if the application is for RCS certification, confirm that it does not hold a GRS scope certificate with another certification body, unless the GRS scope certificate is in the process of being transferred to Intertek;
- g. if the application is for GOTS Certification, commit to comply with the relevant criteria of the GOTS, the Manual for the implementation of GOTS, the Condition for the use of GOTS Signs and other provisions of the GOTS certification program as provided by the Global Standard gGmbH;
- h. always fulfil the certification requirements, including implementing appropriate changes when they are communicated by Intertek;
- i. operate entirely within the scope of its certification, including the certification schedule;
- j. Pay within the specified time any fees set by Scheme Owner(s) (identified in the Service Agreement) if there were;
- k. return the original certificate and all copies to Intertek, if the certificate is suspended or withdrawn;
- l. allow Intertek to exchange information with other accredited certification bodies, authorized accreditation bodies, and the Scheme Owner(s) , as part of its on-going evaluations;
- m. agree to receive email communication from the Scheme Owner(s) and communicate directly with the Scheme Owner(s) in regard to certification and Standards;
- n. disclose all information about any Textile Exchange standard and/or GOTS certification-related activity with other certification bodies;
- o. confirm that it is not currently engaged, nor will it engage, with another certification body against





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- the same Textile Exchange and/or GOTS standard at the same time;
- p. inform Intertek about any other certifications and certification body relationships that share the same scope as the Textile Exchange standard(s) (e.g.: other organic/sustainable cotton certifications for OCS);
 - q. make all necessary arrangements for:
 - i. the conduct of audits, including providing documentation and records, and access to relevant facilities, equipment, location(s), area(s), personnel, and Organization's subcontractors;
 - ii. the investigation of complaints or other stakeholder comments;
 - iii. the participation of observers.
 - r. consent to the Scheme Owner(s) and the accreditation body having the right to observe audits conducted by the Intertek;
 - s. accept that Intertek may conduct semi-announced audits, unannounced audits and/or confirmation visits, for the purpose of monitoring the Organization's conformity;
 - t. accept that the accreditation body also has the right to conduct audits of the Organization, including semi-announced audits, unannounced audits, and confirmation visits, for the purpose of monitoring Intertek conformity with Textile Exchange and or GOTS requirements;
 - u. accept that the accreditation body and the Scheme Owner(s) may become engaged in the case that a complaint or appeal escalates beyond Intertek's authority, and agrees to cooperate with investigations;
 - v. agree that the Scheme Owner(s) is given access to Organization data. In the case of Textile Exchange certifications, access is offered on the premise that Textile Exchange personnel have each signed a confidentiality agreement and conflict of interest declarations, and both required and used in a manner consistent with TE-501 Textile Exchange Standards Data Policy;
 - w. in the case of Textile Exchange certifications, agree to adhere to the data policy specified in TE-501 Textile Exchange Standards Data Policy and to obtain the same agreement from all sites to be included in the scope of certification;
 - x. keep a record of all complaints made known to it relating to compliance with certification requirements and makes these records available to Intertek when requested and
 - i. takes appropriate action with respect to such complaints and any deficiencies found in products that affect compliance with the requirement for certification;
 - ii. documents the actions taken.

If the Organization distributes certification documents to others these documents shall be reproduced in their entirety.

1.2. Modifications

The Organization agrees to inform Intertek, without delay, of changes that may affect its ability to conform with the certification requirements, including but not limited to changes in the following:

- i. legal, commercial, organizational status, or ownership;
- ii. organization and management (e.g. key managerial, decision making, or technical staff);
- iii. contact address;
- iv. scope of operations;
- v. major changes to the management system and processes; and



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- vi. the environmental and social impact of the certified Organization caused by incidents or events (if applicable to the audit scope).

In addition, the Organization agrees to provide Intertek with applicable documents, policies, procedures, manuals, and other information as Intertek may request in order to ascertain how the changes will affect its ability to conform with the certification requirements. Intertek shall be entitled to perform additional assessments, either on-site or off-site, if it determines that such is necessary or appropriate in order to ensure that the Organization's system(s)/ product(s) still conforms to the applicable Standard(s).

1.3. Revision of Requirements or Standards

- a. The Organization acknowledges the Scheme Owner(s)'s right to change the Standard and certification requirements and that certification is conditional on conforming to a new or revised version of the applicable Standard and new or revised certification requirements within the timeframes established by the Scheme Owner(s).
- b. If revisions to Standards and/or Intertek's requirements are adopted, Intertek shall determine the nature and extent of the necessary additional Audit activity, if any, and the required schedule for Intertek to confirm conformity with the revised requirements.

ARTICLE 2 – AUDIT PROCESS

2.1. Facilities and Standards

The Organization hereby retains Intertek to evaluate the Organization's system(s)/program(s)/product(s) at specified facilities of the Organization ("Facilities") that contract with Intertek for Certification Services to specified standard(s) and/or other normative document(s) ("Standard"). The Service Agreement accepted by the Organization specifies the scope of the certification provided in accordance with this Agreement, including Facilities, Standards and Products.

2.2. Organization Information

The Organization acknowledges that Intertek's Audit will require the Organization to provide Intertek, either orally or in writing, with complete, accurate, and the most current information and documentation concerning the system(s)/product(s) to be certified. The Organization agrees to promptly provide to Intertek all applicable documents, policies, procedures, manuals, and other information. If the Organization intends to withhold from Intertek certain data, documents or other information on the basis of legal privilege (e.g., attorney-Organization) or other proprietary information (e.g., trade secret), Intertek may not be able to grant certification unless Intertek and the Organization agree on how to address this issue.

2.3. Organization Assistance

The Organization further acknowledges that the Audit process will require on-site evaluation by Intertek's qualified Audit personnel ("Auditors"), whether permanent employees or contract personnel. The Organization also agrees to permit all such evaluation of each Facility during the Organization's regular business hours. The Audits may also be attended by representatives of Intertek's management and personnel of Accreditation body and / or the Scheme Owner(s). The costs and expenses of personnel other than the scheduled Auditor(s) shall not be the responsibility of the Organization. During each on-



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site visit, the Organization shall make available key management, make necessary arrangement for access to the Organization's subcontractors and other personnel to guide the Auditors through the Facility and to explain the operation of the Facility and its system(s)/product(s). Documents shall be readily made available for review, such as policies, procedures, instructions, records, etc. to determine compliance to the requirements of the applicable standard(s). In addition, prior to or at the commencement of any site visit, the Organization shall fully brief the Auditors on all health and safety procedures, as well as restrictions, which must be adhered to while in the Organization's Facility.

2.4. Audit process

- a. The Documentation review will be conducted off-site prior to the on-site audit. Documents will be reviewed against the requirements of the certification standard(s)
- b. The audit of the facility(ies) will then be conducted to verify conformity to the requirements of the certification standard(s) based on objective evidence collected through record review, observation and interviews
- c. If non-conformities (NC) are noted, you will be required to prepare and submit a corrective action plan. All Critical (applicable to Textile Exchange only) and Major NCs must be closed, and corrective action plans must be accepted for Minor NCs in order for a scope certificate (SC) to be issued. (see 2.6 below)
- d. The results of the audit will be sent Intertek's certification Authority personnel for review and final certification decision.
- e. Upon successfully completion of the review and closure of all NCs (where applicable - see item c. above), a scope certificate will be issued.
- f. Intertek may conduct unannounced inspections to verify that the Organization is still conforming with the requirement of the certification standard(s) (see 2.7 below)
- g. Prior to the expiry of the certification, will have to do a recertification audit of the facility(ies)
- h. Following the shipment of certified products to the given standard(s) the Organization may apply for a transaction certificate (TC).

2.5. Not a Compliance Audit

The Organization understands that the Audit is not a legal/regulatory compliance Audit, and, therefore, Intertek shall have no obligation to review the Organization's processes and Facilities to determine whether the same comply with or violate any legal and/or regulatory requirements. In the event that an Auditor observes a breach of any legal and/or regulatory requirements, related to the scope of certification, the Auditor will formally report this breach in the Audit report and notification to the Scheme Owner(s). The Organization shall take appropriate action, reporting as necessary to the appropriate regulatory body. Once the Auditor has reported the breach, Intertek and the Auditor relinquish any further responsibility or independent duty to report directly to the regulatory body. The Organization's response to this activity will be followed up by the Auditor during the next visit to verify the Organization's continued conformity with the Standard.

2.6. Non-Conformity Categories



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- 2.6.1 Critical non-conformities: (Applicable for Textile Exchange certification only)
- a. Critical non-conformities represent serious failures to meet the fundamental principles of the Standard.
 - b. Critical non-conformities are reserved for requirements identified as critical in the Standard, if available, or for intentional fraud.
 - c. In case of Initial audit, Critical non-conformities shall be closed prior to certification. If not closed, Scope certificate shall not be issued. In case of recertification audit and other types of audit, Critical non-conformities shall be closed, and the Scope certificate shall be suspended immediately. In all cases, the suspension shall be enacted within a maximum of five business days from the day the critical non-conformity was identified, even if the entire audit has not yet been completed. Intertek shall immediately notify Textile Exchange of all critical non-conformities, including details of the nonconformity. The suspension cannot exceed 180 days or the SC expiry date, whichever comes sooner; if not reinstated before the end of this period, the SC shall be withdrawn. When a scope certificate includes multiple sites and a site receives a critical non-conformity, the site may be suspended from the certificate to avoid suspension of the entire scope certificate.
- 2.6.2 Major non-conformities
- a. Major non-conformities occur if, either alone or in combination with further non-conformities relating to other requirements, they result in, or are likely to result in, a fundamental or systematic failure to achieve the objectives of the standards system.
 - b. Major non-conformities are issued, but not limited to, the following circumstances:
 - i. For requirements which are indicated as major requirements in the Standard
 - ii. Where, either alone or in combination with further non-conformities, the non-conformity results in or may result in a fundamental or systematic failure to meet the objectives of the Standard. This may be indicated by non-conformities which:
 - continue over a long period of time,
 - are repeated or systematic,
 - affect a wide area,
 - affect the integrity of the product or the Standard, or
 - are not corrected or adequately addressed once they are identified
 - c. In case of Initial audit, Major non-conformities shall be closed prior to certification. If not closed, Scope certificate shall not be issued. In case of recertification audit, Major non-conformities shall be closed within 30 calendar days from the audit (closing meeting) and prior to recertification. If not closed, Scope certificate shall not be reissued, and shall be suspended if the 30-day timeline ends before expiry of the scope certificate. In all other cases, Major non-conformity shall be closed within 30 calendar days from the audit (closing meeting). If not closed within the given timeline, Scope certificate shall be suspended, or Scope Extension shall not be granted. Scope certificates shall be suspended immediately if there are five or more open major non-conformities
- 2.6.3 Minor non-conformities
- a. Minor non-conformities occur when a single observed lapse has been identified in a procedure required as part of the client's management system.
 - b. Minor non-conformities are issued, but not limited to, in the following circumstances:



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- i. For requirements which are indicated as minor requirements, unless the certification body determines that the non-conformity is major based on the requirements above
- ii. Where the non-conformity is a temporary lapse, non-systemic, limited in scale, or does not represent a fundamental failure to achieve the objectives of the Standard.
- c. Minor non-conformities shall be closed within 60 days from the audit. If not closed, minor non-conformities are upgraded to become major non-conformities with a timeline 30 days from the original deadline. Intertek may grant extensions for minor non-conformities when circumstances are beyond the Organization's control.
- d. Shorter timelines may be given when Intertek believes they are justified.

2.7. Re-Certification Audit, Unannounced audit and Special Visits

- a. The Organization acknowledges that Intertek is required to perform a Recertification Audit annually before the expiry date of the Scope Certificate.
- b. In addition, the Organization acknowledges that non-conformities found during audit may require special or additional visits.
- c. Intertek may also conduct an unannounced audit to certified Facilities during the validity period of the certification to ensure that the Organization continues to satisfy the requirements of the Standard(s) for which it is certified. Unannounced On-Site Audits are in addition to the requirement for annual On-Site Audits and do not affect the validity date of the Scope Certificate.

Note: In the case of Textile Exchange certifications notice of no more than 48 hours may be given in advance of an unannounced audit.

Limited to Global Recycled Standard 4.0 and Recycled Claim Standard 2.0 certification: The Organization acknowledges that Intertek may conduct additional verification, either off-site or on-site, to Material Collectors and/or Material Concentrators that supply directly to the Organization.

ARTICLE 3 - CERTIFICATION, USE OF MARKS. SANCTIONS, COMPLAINTS AND APPEAL

3.1. Certification and use of the certificate Logo.

- a. Upon completion of the Certification Audit and Intertek's determination that the system(s)/product(s) meets applicable Requirements, Intertek shall issue a Scope Certificate, which is valid for a maximum of one year from the date of issue, unless otherwise defined in the relevant Standard's Certification Procedures, and list and register the Organization as having certified products to be made publicly available.
- b. The Organization agrees that details of the Organization's Scope Certificate shall be made available for public display as follows: Reference number, Organization name, country, date of issue, certification expiry date, product(s) covered by the Scope Certificate. In the case of Textile Exchange certifications, the Organization shall inform Intertek if they do not want their certification information that is reported monthly to Textile Exchange to be made publicly available. In this case, Intertek will inform Textile Exchange.
- c. For the duration of its certification, the Organization can market and communicate the certification as well as use the certification logos, provided that all the requirements set out in the TE 301 Standards Claims Policy and TE 302 Standards Logo Use Specifications (available at Textile Exchange



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website: <http://textileexchange.org>), and/or **GOTS** Condition for the use of GOTS Signs (available at GOTS' website <http://www.global-standard.org>), as applicable, are fulfilled.

- d. The Organization shall:
 - i. only make claims regarding certification consistent with the scope of certification and following the issuance of the scope certificate;
 - ii. discontinue its use of all advertising material that contains any reference to or claims regarding Textile Exchange and/or GOTS certification and the Standard upon suspension, withdrawal or expiry of certification;
 - iii. direct any queries regarding their intended use of the certificate Logo to Intertek if needed;
 - iv. give Intertek access to examine the goods, products, wraps, packaging, containers, stationary, publicity material and all other such items bearing or indicating the certificate Logo for the purpose of confirming compliance with these rules of use and the Scope Certificate;
 - v. not use its product certification in such a manner as to bring Intertek into disrepute and shall not make any statement regarding its products certification that Intertek may consider misleading or unauthorized.
- e. Intertek is entitled to check for proper use of certification claim and logo on products and communication media during the certification process but not responsible for their use in the marketplace. It is the duty of the Organization to fulfil the relevant requirements.

3.2. Termination, Reduction, Suspension or Withdrawal of Certification

The Organization acknowledges that:

- a. When a nonconformity with certification requirements is substantiated, Intertek shall consider and decide upon the appropriate action, including the following:
 - i. continuation of certification under conditions specified by Intertek;
 - ii. reduction in the scope of certification to remove nonconforming product variants;
 - iii. suspension of the certification pending remedial action by the Organization;
 - iv. withdrawal of certification.
- b. Non-conformities found during audit must be corrected within the required time frame by auditor or the scope certificate shall be denied, suspended or withdrawn. Certification decisions may include requests for the correction of major or minor non-conformities within a specified period. In this case, an updated certification decision shall be made upon closure of the non-conformities or upon the deadline for the non-conformities, whichever comes first. Reasons for denial, withdrawal, or suspension of certification shall be stated with clear reference to the standard's criteria or other certification requirement violated. The Organization must return all outstanding certification documentation to Intertek.
- c. Intertek shall inform the Scheme Owner and the accreditation body when a certification is denied, suspended or withdrawn. Furthermore, in the case of Textile Exchange certifications, Intertek shall also inform all direct customers who have received transaction certificates from the concerned Organization during the previous 12 months.
- d. If a scope certificate is suspended for 180 days or until its expiry date – whichever is sooner – the scope certificate shall be withdrawn.



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- e. Intertek shall not issue transaction certificates relating to scope certificates which are suspended or withdrawn, regardless of when the product was sold, and shall not permit a suspended Organization to sell claimed materials or to use logos or labels for the Standard.
- f. In all cases, if a scope certificate is not issued within 60 days of an initial audit, or if a certificate is suspended for 180 days or until its expiry, whichever is shorter, a new audit is needed before the organization may become (re-)certified. Intertek may not grant the issue of the Scope Certificate if Critical (in the case of Textile Exchange Certification only) and Major non-conformities are not closed at least 15 days prior to this date.

3.3. Complaints and Appeals

- a. Any party wishing to submit a complaint shall contact Intertek as specified in GOP216-INFO - Information on Complaint Handling Process posted on Intertek's website at:
<https://www.intertek.com/business-assurance/policy-statement/>
- b. The Organization has the right to appeal any decision made by Intertek as specified in GOP208-INFO Disputes and Appeals Process, posted on Intertek's website at:
<https://www.intertek.com/business-assurance/policy-statement/>

ARTICLE 4 - GENERAL PROVISIONS

4.1. Retention of Records and Confidentiality

Intertek shall be entitled to retain the originals or copies of all applicable documents, policies, procedures, manuals, and other information provided during the course of the Audits. Except to the extent that the information obtained by Intertek is already in Intertek's possession or is, or becomes in the future, public knowledge, and except as otherwise required by law or legal process, Intertek covenants and agrees to maintain all such information in strict confidence and not to use any such information in any manner detrimental to the Organization. In addition, Intertek shall maintain in strict confidence, during the term of and after the termination of this agreement, the information obtained during the course of the Audits and documented in the Audit reports. However, the foregoing shall not be deemed or construed in any manner whatsoever as prohibiting Intertek from publicly disclosing details of the granting, suspension or withdrawal of certification, or providing complete or partial copies of Audit reports as specified by Intertek's auditors and the Scheme Owners, or providing access to Organization information, including copies of Audit documents to Intertek's auditors and the Scheme Owners for Audit purpose. Except as required in the applicable accreditation documents, Intertek shall obtain written consent from the Organization or individual for disclosing information to a third party. Where required by law to release confidential information to a third party, Intertek will, unless regulated by law, notify the Organization or individual concerned in advance of the information provided.

4.2. Waiver

No waiver of any provision of this Agreement, or any breach thereof, shall be construed as a continuing waiver or shall constitute a waiver of any other provision or breach.



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4.3. Term of Agreement

This Agreement is part of and shall commence on the date the Certification Agreement is signed and shall remain in effect for the same period as the Certification Agreement.

4.4. Disclaimer

- a. The Scheme Owner(s) may from time to time alter these rules of use or make new rules but whether such alteration or new rule shall affect the use of the certificate logo by an Organization shall be specified by the Scheme Owner(s).
- b. This Agreement shall be governed by and shall be construed in all respects in accordance with the laws of the jurisdiction of the Intertek Contracting Office.